

JOHN SHADGEG  
3RD DISTRICT, ARIZONA



RECEIVED

03 SEP 15 PM 4:13

Congress of the United States

House of Representatives

Washington, DC 20515-0304

September 15, 2003

022

10 SELECT COMMITTEE ON  
20 HOMELAND SECURITY  
30 SUBCOMMITTEE ON  
40 EMERGENCY PREPAREDNESS  
AND RESPONSE  
CHAIRMAN

01

62 ENERGY AND COMMERCE

03

FINANCIAL SERVICES

04

05

REPUBLICAN STUDY COMMITTEE

REPUBLICAN POLICY COMMITTEE

ASSISTANT WHIP

STELLING COMMITTEE

WASHINGTON, DC OFFICE:  
300 CANNON HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515  
(202) 225-7361  
Fax: (202) 225-3462

ARIZONA OFFICE:  
301 E AGT BETHANY HOME ROAD  
SUITE C178  
PHOENIX, AZ 85017  
(602) 263-6300  
Fax: (602) 248-7733  
<http://johnshadegg.house.gov>

Commission Secretary Bryant L. VanBrakle  
Members of the Commission  
Federal Maritime Commission  
800 North Capitol Street, NW  
Washington, D.C. 20573-0001

Re: Petition P3-03

Dear Secretary VanBrakle and Commissioners:

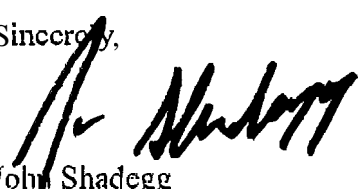
United Parcel Service (UPS) has become the world's largest provider of package delivery. Since 1907, UPS has excelled at customer service and has been a driving force of the economic engine of both small and large businesses. As you are aware, UPS provides ocean shipping services to its customers operating as a Non-Vessel Operating Common Carrier (NVOCC).

The Ocean Shipping Reform Act of 1998 amended the Shipping Act of 1984 to state that all NVOCC commercial shipping rates must be published and all terms must be made available, thus providing a competitive advantage to vessel operators by maintaining most of their contract terms confidential. Recently, UPS filed for an exemption from the prohibition on NVOCCs from entering into confidential contracts with their customers. Requesting the ability to offer confidential service contracts provides a remedy to the regulatory differences that exist between NVOCCs and Vessel Operating Common Carriers (VOCC). UPS notes that the exemption will enhance international commerce flow and benefit both shippers and customers.

Based upon the growth of VOCC's and their direct competition with NVOCC's, UPS's exemption request will level the playing field to allow fair competition. UPS's operation of one of the most integrated, intermodal transportation networks in the world encompassing air, rail, surface, and NVOCC transportation solidify the need for the requested exemption.

Due to the recent changes in the level of competition in the ocean shipping marketplace, I support UPS's petition and encourage consideration of the merits of the petition by the Federal Maritime Commission.

Sincerely,

  
John Shadegg  
Congressman  
Arizona 3<sup>rd</sup> District  
U.S. House of Representatives

JBS:jn



RECEIVED

03 SEP 15 PM 4:13

U.S. SECRETARY  
FEDERAL MARITIME COMM

*U.S. House of Representatives*

# CONGRESSMAN JOHN SHADEGG

# Fax Cover Sheet

**To:** Commission Secretary Bryant L. VanBrakle – Federal Maritime Commission      **Date:** 9/15/03

**Fax #:** (202) 523-0014      **Phone #:** (202) 523-5725

**From:** James Ashley

**Regarding:** UPS Petition P3-03

**Priority:** --e,1-1,"--c      **Response:** \_\_\_\_\_

**Deadline:** \_\_\_\_\_ **Pages:** 2

### Comments:

## Thank You

This facsimile and transmission contains information that is privileged, confidential, and exempt from disclosure under applicable law and is intended only for the use of the individual named above and others who have been specifically to use it. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, or copying is strictly prohibited.

301 E. Bethany Home Road, Suite C-I 78 Phoenix, AZ 85012  
Telephone (602) 263-5300 FAX (602) 248-7733